

South Carolina Office of Regulatory Staff /PHMSA Pipeline Safety Seminar



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What Will I Be When I Grow Up?



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Or will I simply work
for the Government?

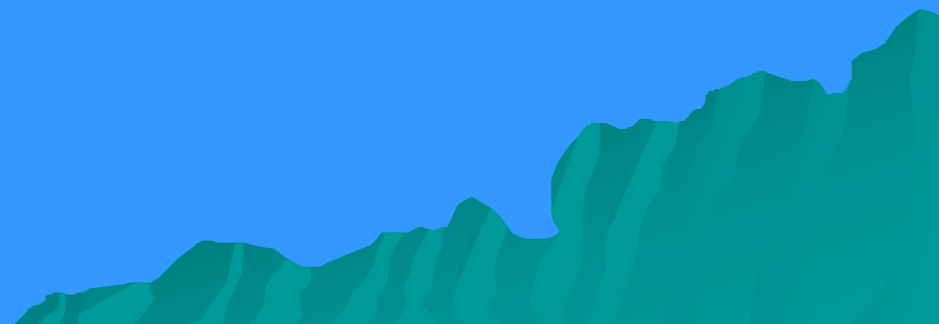
PHMSA Stands For?

- A. Pipeline Havoc and Miscellaneous Screwed-up Aggravations
 - B. Pain in Hazmat Material Shippers Alliance
 - C. Pipeline and Hazmat Materials Shippers Agency
 - D. Performance in Hazardous Materials Safety Association
 - E. Pipeline and Hazardous Materials Safety Agency
 - F. None of the Above or Who Cares?
- 

DOT Reorganization

PHMSA = Pipelines and Hazardous
Materials Safety Administration

RITA = Research and Innovative
Technologies Administration



What Does PHMSA Regulate?

✓ 1.2 million daily movements of Hazardous Materials by pipeline, truck, rail, waterways, and air

✓ 30% of all freight shipped each year including fuels and gases by pipeline

✓ 3.1 billion tons of freight shipped annually


✓ 2.1 to 2.3 million miles of Gas and Liquid Pipelines

✓ 64% of all energy products consumed annually

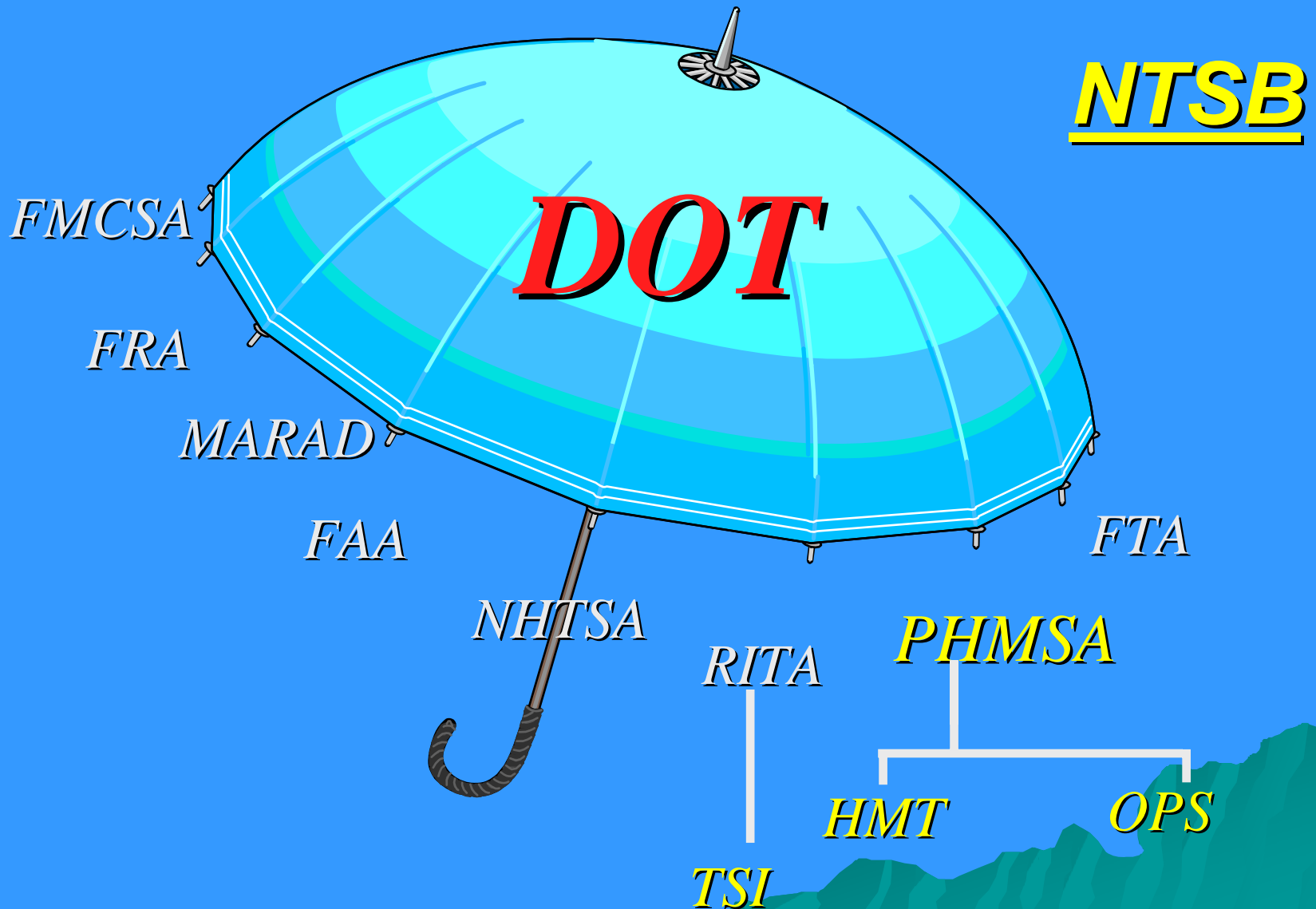


PHMSA's Mission Statement

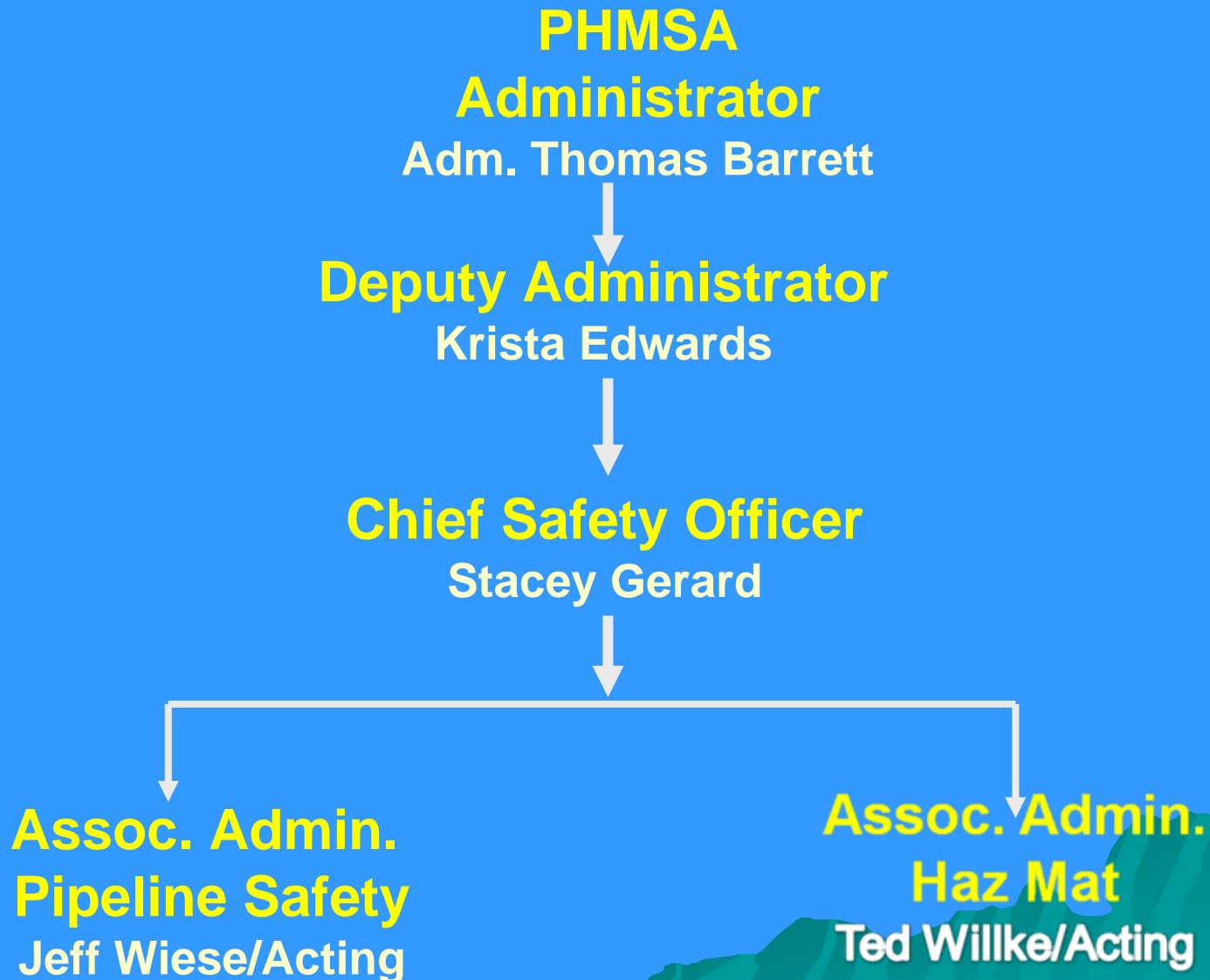
To ensure the safe, reliable,
and environmentally sound
operation of the nation's
pipeline transportation
system.

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DOT Reorganization



PHMSA Organization Structure



PHMSA ~ (OPS)

Pipeline Safety Authority

- ◆ Strategic Plans & Assessment
 - ◆ Technology & Standards
 - ◆ Monitoring State Programs
 - ◆ Compliance
- 
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PHMSA Training & Qualification (T & Q) Division

Provides Training for:

- ◆ *State and Federal Pipeline Inspectors (Courses in OKC)*
- ◆ *Industry Personnel via Seminars*



Pipeline Jurisdictions

- ◆ Interstate
(Federal)
- ◆ Intrastate
(State)

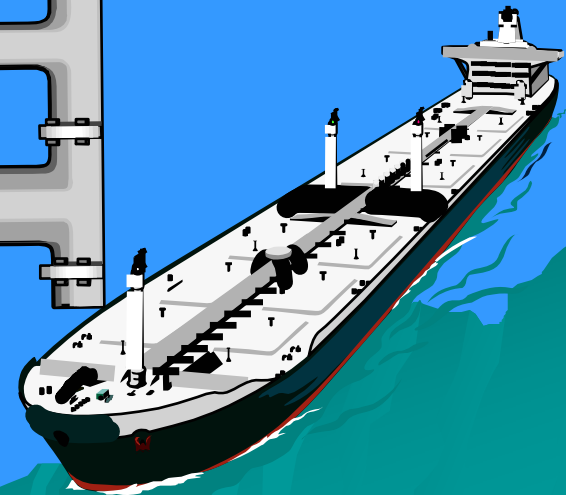
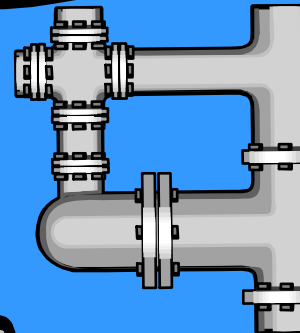
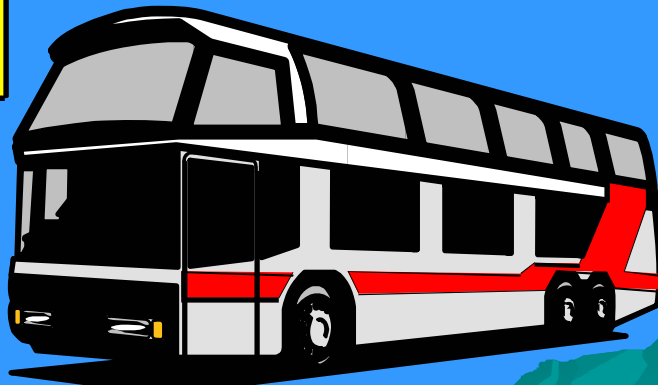
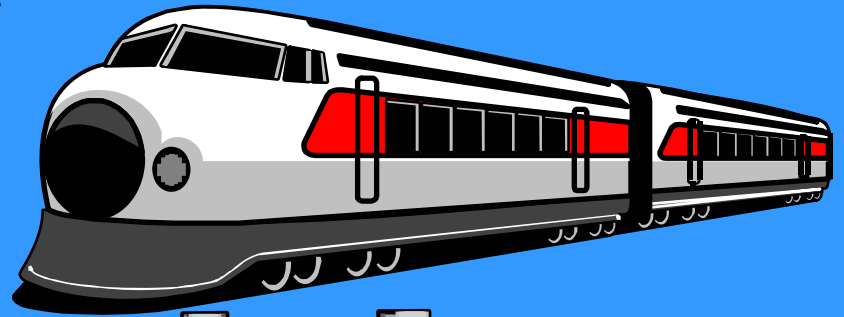
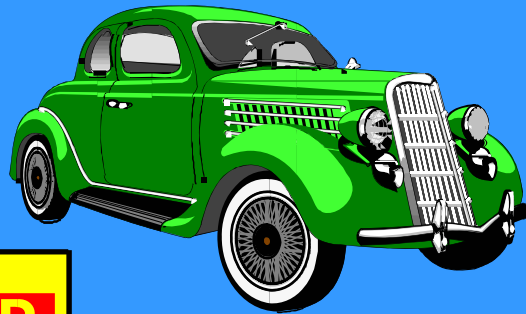


PHMSA Regional Boundaries



Act of July 5, 1994

All Transportation Acts Combined into one Document



Pipeline Safety Law ~ 1996

- ◆ Replaced the:

- Natural Gas Pipeline Safety Act
- Hazardous Liquid Pipeline Safety Act

- ◆ Establishes the Laws and Authority for the Safety of Pipelines

Pipeline Safety Law Updates


- ◆ Pipeline Safety Improvement Act of 2002 (PSIA)
 - ◆ Reauthorization Act (PIPES) in 2006
- 

Pipeline Inspection, Protection, Enforcement and Safety (PIPES) Act of 2006

◆ **Key Provisions:**

- 1) New Emphasis on Prevention of damage to underground pipelines.
- 2) Issue new regs. On low-stress liquid gathering lines.
- 3) Issue new regs.on Distribution IMP and Excess Flow Valves (EFV's)

Pipeline Inspection, Protection, Enforcement and Safety (PIPES) Act of 2006

- ◆ **Key Provisions (continued):**
 - 4) Issue new regs. on human factors for pipeline controllers.
 - 5) Reauthorize pipeline safety program through FY 2010. (Increased funds, grants, positions, etc.)
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Pipeline Inspection, Protection, Enforcement and Safety (PIPES) Act of 2006

- ◆ **Key Provisions (continued):**
 - 6) Modify definition of “interstate/intrastate gas facility” as it applies to direct sales laterals

State Programs

Section 60105 – State Certifications

◆ State has:

▲ Adopted Federal Pipeline
Safety Regulations as a
minimum

▲ Enforcement Authority

Pipeline Safety Law



Operator Compliance


Section 60118

- ◆ Operator shall:
 - **Comply with Applicable Safety Standards**
 - **Prepare and Follow an O&M Plan**
 - **Maintain Records Required by the Safety Standards**

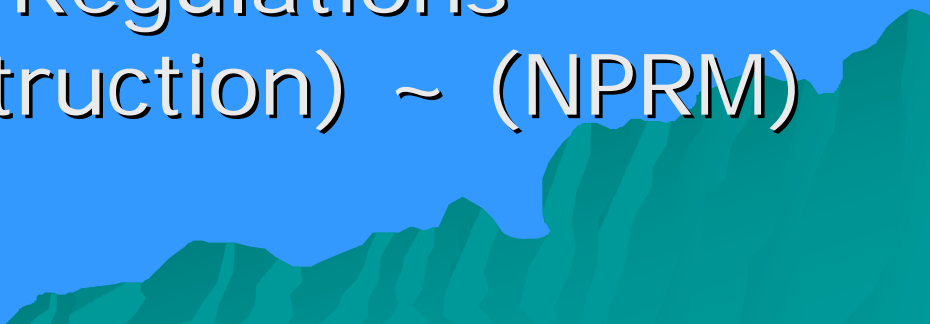
Pipeline Safety Law



PHMSA Priorities & Issues


- ◆ Integrity Management of Pipelines
 - Inspection/Enforcement of Liquid Pipelines (Large/Small)
 - Inspection for Gas Transmission Pipelines
 - Distribution Rules (Under Development)
 - ◆ Resolution Of Operator Qualification Issues
- 

Priorities & Issues (continued)


- ◆ Revised Safety Standards for Gas Gathering Lines ~ (FR)
 - ◆ Enhanced Public Awareness & Education (API 1162) ~ (FR)
 - ◆ Internal Corrosion Regulations (Design & Construction) ~ (NPRM)
- 

Developing A Regulation


Petitions (ideas) submitted by:

- ◆ Industry Organizations or Operators (e.g., NACE)
 - ◆ Government Agencies (e.g., NTSB)
 - ◆ General Public
 - ◆ Congress
- 

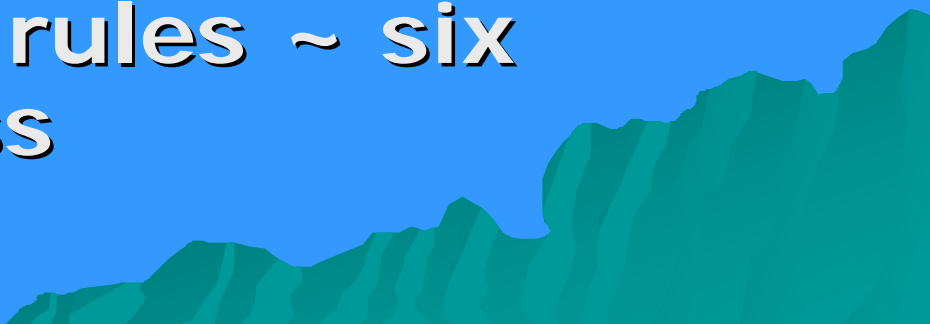
Rulemaking Process (How New Rules Occur)

- ◆ Petition (idea) received
 - ◆ NPRM (or ANPRM) drafted
 - ◆ Internal review
 - ◆ Published in Federal Register
 - ◆ Comment period (normally 60 days)
- 
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Rulemaking Process (cont'd)

- ◆ Public hearing or meeting (optional)
 - ◆ Final Rule (FR) drafted
 - ◆ Review & clearance thru PHMSA
 - ◆ Coordination thru OMB (if required)
 - ◆ Published in Federal Register
- 
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Rulemaking Process (cont'd)

- ◆ Process may take months or years
 - ◆ Affected parties encouraged to comment
 - ◆ Preamble(s) are integral to NPRM and FR, but not enforceable
 - ◆ DFR (direct final rule) process for straight-forward, non-controversial rules ~ six months or less
- 

Distribution Integrity Management

Phase 1 - 2005

In 2005, PHMSA assembled Quality Action Team of state, industry, and public stakeholders to:

- *Assist PHMSA in developing plan to be communicated to Congress*
- *Gather and develop background information*
- *Collect and analyze data*
- *Identify concepts*


-- Assigned to GPTC for review




Distribution Integrity Management

Phase 2 – 2006/7


In 2006 and 2007, PHMSA plans to:

- Prepare a **Notice of Proposed Rulemaking** to promulgate high-level, flexible Federal regulations supported by a clear guidance document. **Docket Number 19854**
 - Recommend Federal legislation encouraging States to implement effective damage prevention programs.
 - Promote the nationwide 8-1-1 number for one-call systems through the Common Ground Alliance
 - Continue Research & Development efforts
- 

7 Key Elements of DIMP

1. Develop and implement a written IM plan
 2. Know the infrastructure
 3. ID threats
 4. Assess and prioritize risks
 5. ID and implement appropriate measures to mitigate risks
 6. Measure performance, monitor results, evaluate the effectiveness and make changes as needed
 7. Periodically report performance measures
- 


Eight Primary Threats

- ◆ Corrosion
 - ◆ Natural forces
 - ◆ Excavation
 - ◆ Other outside force damage
 - ◆ Material or welds
 - ◆ Equipment
 - ◆ Operations
 - ◆ Other
- 
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Final Rule issued March 15, 2006

Amendment 192-102

Gas Gathering Line Definition

- ◆ Definitions under the rule are slight modifications of the definitions contained in API RP 80, Guidelines for the Definition of Onshore Gas Gathering Lines:
 - ◆ Higher safety standards for high risk onshore gathering lines
 - ◆ Relaxed standards on low risk onshore gathering lines
- 

Notice of Proposed Rulemaking Control of Internal Corrosion

Revisions would apply to

- New construction
- Replaced gas transmission pipelines

Operator must address internal corrosion risk when designing and constructing gas transmission pipelines

<http://dms.dot.gov>

Docket No. PHMSA-2005-22642



Operator Qualification Ongoing Considerations

Regulatory

- Add construction tasks to operation and maintenance tasks
- Add some specificity in training
- Add some specificity in intervals for reevaluation

Non-Regulatory

Publish clarifications

Of Note: PHMSA does not intend to immediately incorporate ASME B31.Q into regulations.

Maximum Allowable Operating Pressure Reconsideration

Public Meeting was held March 21, 2006

Reconsideration applies to

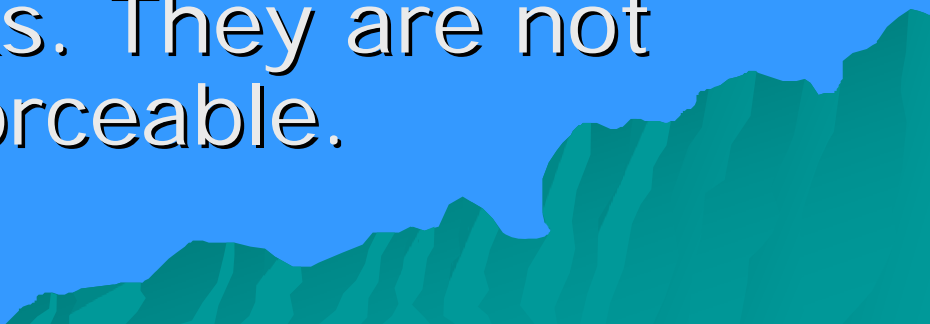
- ◆ Proposed Alaska Natural Gas pipeline
- ◆ New gas pipelines certified by FERC
- ◆ Pipelines constructed since 1980 (by Waiver)

<http://dms.dot.gov> Docket No. PHMSA-05-23447



Advisory Bulletins (not Rulemaking)

PHMSA uses **ADVISORY BULLETINS** to inform affected pipeline operators and regulatory personnel of matters that have the potential of becoming safety and/or environmental risks. They are not intended to be enforceable.

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Recent Example: PHMSA Advisory Bulletin on Excavation Activities


To: Owners and Operators of Natural Gas and
Hazardous Liquid Pipeline Systems

- ◆ **Excavation is a covered task.**
- ◆ Review the adequacy of covered tasks involving line locating, one-call notifications and inspection of excavation activities.
- ◆ Each employee and operator must be qualified to perform that task.


Reference: ADB-06-01



New Requirements for the Pipeline Operator

- ✓ **Final Public Awareness Rule** effective June 20, 2005
 - ✓ 49 CFR 192.616 and 195.440 titled "Public Awareness"
 - ✓ Programs must follow the guidance in API RP 1162, First Edition, December 2003 ("RP 1162")
 - ✓ Baseline and Supplemental (aka Enhanced) Programs
- 
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Applicability of the Public Awareness Rule

- ◆ Gas Transmission & Hazardous Liquids
 - ◆ Gas Distribution
 - Communication about Liquefied Natural Gas (LNG) and Propane/Air peak-shaving facilities are not part of the public awareness program required by 192.616
 - ◆ Gas Gathering
- 

NPRM dated 9/29/06

Docket No. PHMSA-2003-1582

Comments due November 28, 2006

- (j) Unless the operator transports gas as a primary activity, the operator of a master meter or petroleum gas system is not required to develop a public awareness program as prescribed in paragraphs (a) through (g) of this section. Instead the operator must develop and implement a written procedure to provide its customers public awareness messages twice annually.....
- 

NPRM dated 9/29/06

Docket No. PHMSA-2003-1582

Comments due November 28, 2006

If the master meter or petroleum gas system is located on property the operator does not control, the operator must provide similar messages twice annually to persons controlling the property. The public awareness message must include:

- (1) A description of the purpose and reliability of the pipeline;
- (2) An overview of the hazards of the pipeline and prevention measures used;
- (3) Information about damage prevention;
- (4) How to recognize and respond to a leak; and
- (5) How to get additional information.

Final Rule issued June 9, 2006

Amendment 192-103

Update of Regulatory References to Technical Standards

- ◆ Revises §192.7 to update to latest editions on many industry and association technical standards
- ◆ Mainly PRCI, ASTM, ASME, MSS, NFPA, PPI, NACE, GTI

Docket No. PHMSA-05-21253



Final Rule issued February 1, 2007
Amendment 192-104
Update of Regulatory References
to Technical Standards

- ◆ Amends previous amendment (192-103) to again update certain standards incorporated by reference
- ◆ Also makes minor editorial corrections
- ◆ Effective March 5, 2007

Waivers/Special Permits

Section 60118 of Law

Operator can be waived (allowed to deviate) from strict Compliance with a Safety Standard. Now called "Special Permit"

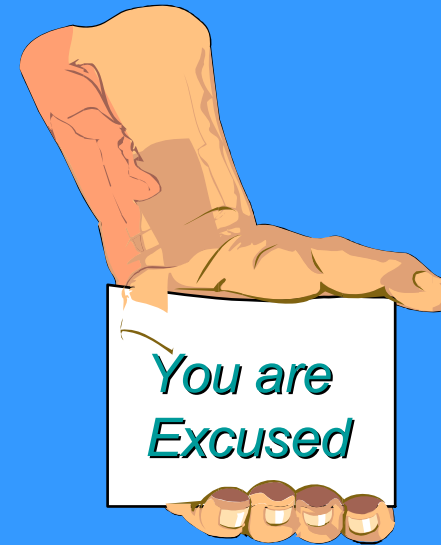
Intrastate - Petition to State

Interstate - Petition to Regional
Office



Waiver Concerns

- ◆ Not a way to "skirt" the law
- ◆ Not always timely
- ◆ Inconsistencies among states, states/OPS, and OPS
- ◆ No central database
- ◆ OPS has not always stated reasons for acceptance/rejection
- ◆ Not widely used by industry until recently



Pipeline Safety Websites

ops.dot.gov

primis.phmsa.dot.gov

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PHMSA


Office of Pipeline Safety

[Communications](#) | [IM - Liquid](#) | [IM - Gas](#) | [IM - Distribution](#) | [OQ](#) | [R&D](#) | [IM Rulemaking](#) |
[PRIMIS](#) | [TACS](#) | [CGA](#) | [OPS Home](#) | [Privacy Notice](#)

Select the web site or system you are looking for:

- [OPS Communications Initiatives](#)
- Integrity Management:
 - [Integrity Management - Hazardous Liquid](#)
 - [Integrity Management - Gas](#)
 - [Integrity Management - Distribution](#)
 - [Integrity Management Rulemaking](#)
- Operator Qualification (OQ):
 - [Operator Qualification Web Site](#)
- Research and Development:
 - [Pipeline Safety Research and Development](#)
 - [R&D Matrix](#)
- Office of Pipeline Safety Information Systems (OPSIS):
 - [Public Meeting Registration Forms](#)
 - [Pipeline Risk Management Information System \(PRIMIS\)](#)
 - [Technical Advisory Committees \(TACS\)](#)
 - [Distribution Integrity Management](#)
- [Pipeline Info](#)
- [Common Ground Alliance](#) (non-profit organization)

Challenges for PHMSA in Pipeline Safety

- ◆ Rebuilding Public Confidence after Bellingham and Carlsbad Accidents
 - ◆ Public Perception of Unresponsiveness
 - ◆ Pressures to Perform (Congress, NTSB, IG)
 - ◆ Perception of Being “Too Close” to Industry
 - ◆ Growing Economy – Strain to Meet Energy Demand/Pipeline Capacity
 - ◆ “Zero-Risk Society”
 - ◆ Growing Stakeholder Community (Agencies, Advocates, Local Communities, Citizen Groups)
- 

The End

